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FISCAL IMPACT STATEMENT

LS 6850

BILL NUMBER: HB 1199

NOTE PREPARED: Jan 8, 2013

BILL AMENDED:

SUBJECT: Medical Licensing Board Investigation Fund.

FIRST AUTHOR: Rep. Pond

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill creates the Medical Licensing Board Investigation Fund consisting of fines and penalties collected by the Medical Licensing Board (MLB). The bill continually appropriates money in the fund to the MLB for investigative and enforcement purposes.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Summary-* The bill would take civil penalties and fines assessed against physicians and osteopathic physicians and place them into the newly created MLB Investigation Fund. The revenue the proposed Investigation Fund may generate is unknown, and would depend on the number and amount of civil penalties and fines assessed by the MLB.

Uses- The money in the MLB Investigation Fund would be used to fund MLB administration, investigations and taking enforcement action against persons in violation of medical licensing law.

Reversion Cap- Money in the proposed MLB Investigation Fund would not revert back to the state General Fund at the end of a state fiscal year, unless the amount in the Investigation Fund exceeded \$750,000. The amount in excess of \$750,000 would then revert to the state General Fund.

Background Information- Fines levied, under IC 25-1-9-9(a)(6), against medical practitioners are currently placed into the state General Fund and civil penalties imposed, under IC 25-22.5-2-8, are placed in the Physician Investigation Fund (PIF).

Physicians Investigation Fund- The Physicians Investigation Fund was established by P.L. 149-2011. The PIF received \$36,250 in *civil penalties*, under IC 25-22.5-2-8, from physician noncompliance during FY 2012. The average collection of *fin*es for physicians and osteopaths, under IC 25-1-9-9(a)(6), was approximately \$9,400 from CY 2006 through CY 2011. The average does not include the amount of revenue received from fines during CY 2012, which totaled \$33,000 through November, an amount significantly higher than in the total collected in the five previous years.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Medical Licensing Board.

Local Agencies Affected:

Information Sources: Professional Licensing Agency.

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